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GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



Frederick P. Cerise, M.D., M.P.H.
SECRETARY

January 27, 2005

SPECIAL NOTICE TO ALL EARLYSTEPS PROVIDERS & FAMILY SERVICE COORDINATORS

Dear Early Steps Providers:

Thank you for your continuing support and efforts at voluntarily controlling services for children and families. While there has been some reduction in expenses, it is not enough to enable the Office of Public Health to stay within our budget. We regret that with this letter, we must announce a reduction in reimbursement rates for EarlySteps services, including family service coordination.

The reimbursement rate reduction will be a 25% reduction in all rates beginning with February 1, 2005 dates of service and will be in effect indefinitely. Please see the attached revised rate schedule for detailed information.

In order to implement these changes into the Central Finance Office payment system, **the payment schedule will be changed to a monthly payment effective immediately.** The next payment for services billed will be made at the end of February. Providers should expect some delays in payments while the Central Finance Office works to reprogram their system to accommodate these changes. All efforts will be made to accomplish these changes as quickly as possible.

Since Part C services are not able to be limited (per Federal requirements), this rate reduction is the only option left to the Office of Public Health to assure continuation of the EarlySteps system of services for infants and toddlers and their families. We are working on a significant restructuring of the EarlySteps system in an attempt to avoid this type of midyear cost cutting in the future. We appreciate your dedication and support as EarlySteps goes through these "growing pains". We are confident that all of our efforts together will continue to make a positive difference in the lives of young children with disabilities in Louisiana.

Sincerely,

Linda Pippins
Children's Special Health Services

Nichole Dupree
EarlySteps